EUROMOBILIARE ASSET MANAGEMENT SGR

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Article 10 (SFDR)

Website disclosure referred to Article 8 of Regulation (EU) 2019/2088 (SFDR)

European Equity ESG

Product name: European Equity ESG
Legal entity identifier: 5493007Y6IORAGE96D53

A. Summary

The Sub-Fund promotes environmental and social characteristics through the integration of an ESG rating based on an "ESG score" methodology specific to Euromobiliare Asset Management SGR S.p.A. (the "Management Company"). This score applies to three types of issuers: companies, sovereign issuers and thematic bonds, and is based on a "Best-in-Class" strategy, where the Management Company aims to place more emphasis on positive ESG selection, focusing the portfolio on companies with high ratings and avoiding investing in companies with lower ratings. In addition, the Management Company is subject to an exclusion policy so as not to invest in issuers that are deemed not to be "socially responsible", among other things, due to their involvement in certain industries.

The binding elements of the sustainable investment strategy applied in the selection process of the individual issues of the Sub-Fund are as follows:

- The Sub-Fund will not invest in individual issues that fall within the scope of the exclusion criterion;
- The Sub-Fund will not invest in individual issues with an ESG rating below C;
- The Sub-Fund will invest no more than 5% of its total assets in individual issues without an ESG rating;
- The Sub-Fund will not invest in issuers that have been awarded a "Red Flag" by the Management Company.

B. No sustainable investment objective

This financial product promotes environmental or social characteristics, but does not have sustainable investment objective.

C. Environmental and/or social characteristics of this financial product

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund promotes environmental and social characteristics through the integration of an ESG rating based on an "ESG score" methodology specific to Euromobiliare Asset Management SGR S.p.A. (the "Management Company"). This score applies to three types of issuers: companies, sovereign issuers and thematic bonds, and is based on a so-called "Positive tilt" strategy, where the reference universe of the Management Company is reduced in order to favour issuers with sustainable characteristics and to limit investments in instruments that are not particularly sustainable (positive selection approach). In addition, the Management Company is subject to an exclusion policy so as not to invest in issuers that are deemed not to be "socially responsible", among other things, due to their involvement in certain industries.

D. Investment strategy

What investment strategy does this financial product follow and how is it implemented continuously in the investment process ?

The Management Company filters the investment universe of the Sub-Fund through the integration of the rating of different types of issuers based on environmental, social and governance criteria (ESG Score). In addition, the Management Company applies an exclusion list so as not to invest in issuers defined as not being "socially responsible", due to their involvement in certain industries or their practices in terms of governance and compliance with international standards.

ESG score

The starting point of the ESG integration policy is the ESG score and ESG rating. The Management Company's ESG score is an ESG score distributed on a scale of 0 to 100, where 0 is the worst ESG score and 100 is the best.

The investment universe is therefore divided into five quintiles according to the ESG Score: the first quintile corresponds to that of the best individual issues in terms of matching the sustainability criteria, i.e. sustainability factors are at the heart of the business model (ESG score between 81 and 100). The fifth quintile (ESG score between 0 and 20) is the individual issues involved in large-scale controversies.

The ESG rating combines the ESG score with a momentum score, which corresponds to the change in the ESG score over the past year, in order to result in the rating of the security itself (which will take into account the positive, stable or negative ESG momentum).

The Management Company integrates ESG factors through the score with the "ESG Best-in-Class" approach which aims to place more emphasis on positive ESG selection, focusing the portfolio on high-rated companies and avoiding investing in low-rated companies.

The investment universe is therefore restricted only to individual issues with a rating above C. An ESG rating above C corresponds to an ESG score ranging from 41/100 with a positive ESG momentum (i.e., ESG rating of C+) to an ESG score of 100/100 with a positive ESG momentum (i.e., ESG rating of A+).

The selection of target UCITS/UCIs is based on a targeting and due diligence procedure based on the following 3 pillars: Portfolio Analysis, Asset Management, Strategy, and based on which target UCITS/UCIs are assigned a score. Only UCITS/UCIs with a score above C will be eligible.

For operational efficiency reasons, up to 5% of the Sub-Fund's countervalue can be invested in individual issues without a rating.

General exclusions

This element aims to exclude issuers operating in sectors deemed not to be "socially responsible". To this end, the following exclusions will be applied:

1) « Hard exclusions »

- **Unconventional weapons**: weapons that have indiscrimanate effects, cause undue damage, and are unable to distinguish between civilian and military targets. Several categories of controversial weapons are governed by international conventions aimed at limiting their proliferation. Unconventional weapons include, but are not limited to, land mines, depleted uranium, biological and chemical weapons, nuclear weapons, cluster bomb, blinding laser weapons, white phosphorus non-detectable fragments, incendiary weapons and weapons of mass destruction. The exclusion solely of the manufacturers of first-tier weapons is planned but not its extension to companies in the production chain (hardware) ;
- **Speculative derivatives on food commodities** : reference is made to financial instruments of this nature, as they are based on financial speculation that influences the price of food and foodstuffs, generating direct negative impacts for millions of people in developing countries. This does not include the use of derivatives on food-based commodities for hedging purposes related to the industry's primary activity. The exclusions relate to positions taken directly on soft commodities, including through diversified indices that also include at least one of the above commodities, whether through derivatives or other instruments such as ETFs, UCITS, ETNs or ETCs. In this sense, these financial instruments cannot be included in products established and/or managed by the company.

2) « Soft » exclusions

- **Controversial behavuours** : behaviours resulting in very serious human rights violations and very serious children's rights violations. The Management Company defines a list of controversial behaviours, which will be periodically checked against potential investments. This also applies to positions held by the Sub-Fund.

The exclusions apply to direct investments in stocks, bonds or convertible bonds, as well as bonds issued by related financial vehicles; they also apply to equity securities and derivatives issued by third parties on these securities. However, they do not apply to derivatives on stock and/or bond indices, or investments in UCITS, for which reference is made to the ESG investment policy. If a Sub-Fund has positions in a security that has become subject to exclusion, the investment is liquidated under market conditions, but no later than 30 business days after the new exclusion comes into force.

Dispute Policy ("Red Flag")

The advisor assigns a "Red Flag" to a company involved in a dispute deemed relevant enough to justify the exclusion of the investment by Euromobiliare SGR, meaning that it poses a significant threat to the company and its future performance.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements of the sustainable investment strategy applied in the selection process of the individual issues of the Sub-Fund are as follows:

- The Sub-Fund will not invest in individual issues that fall within the scope of the exclusion criterion;
- The Sub-Fund will not invest in individual issues with an ESG rating below C;
- The Sub-Fund will invest no more than 5% of its total assets in individual issues without an ESG rating;

- The Sub-Fund will not invest in issuers that have been awarded a "Red Flag" by the Management Company.

What is the policy to assess the good governance practices of the investee companies?

Good governance practices of issuers belonging to the investment universe are assessed through consideration of multiple and varied criteria. The Management Company will attest to the good governance practice of issuers taking into account the "*corporate governance*" structure. Furthermore, the Management Company will also analyse the relationships that issuers maintain with investors, employees and employee compensation. Finally, good governance practices are studied in the light of business ethics as well as the transparency of accounting principles and compliance with tax obligations.

Ce produit financier prend-t-il en considération les indicateurs concernant les principales incidences négatives sur les facteurs de durabilité ?

☒ Yes,

The principal adverse impacts of investment decisions on sustainability factors must be identified, tracked and managed for all financial instruments in the investment universe, whether direct or indirect investments (such as UCITS/UCIs).

On a quarterly basis, the Management Company tracks data relating to the main negative impacts of the activity of each issuer on the following sustainability parameters:

a) GHG intensity ;
b) Carbon footprint ;
c) GHG intensity of the investee companies ;
d) Violations of the principles of the United Nations Global Compact and OECD Guidelines for Multinational Enterprises ;
e) Exposure to controversial weapons (anti-personal mines, cluster bombs, chemical weapons or biological weapons).

The Management Company's Principal Adverse Impact (PAI) tracking methodology evaluates performance against the issuer's PAI indicators. Issuers are thus classified according to their performance against PAI indicators, at the level of the individual indicators and overall.

The evaluation and ranking are used to indicate the performance of each issuer. Issuers with poor performance, either overall or at the individual indicator level, are subject to further investigation and analysis.

Underperforming issuers will be analysed, and possible outcomes may be (i) to reduce or exclude the investments of the Sub-Fund in the relevant issuer or (ii) no action, i.e. the level of the issuer's PAI indicators is deemed acceptable or not indicative of the actual current performance of the company, and no further actions are deemed necessary. The issuer will continue to be evaluated on an ongoing basis.

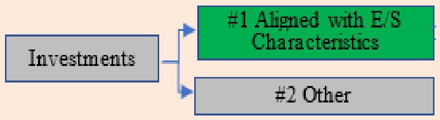
More information regarding consideration of the principal adverse impacts on sustainability factors can be found in the annual report.

☐ No

E. Asset allocation

What is the asset allocation planned for this financial product?

The Sub-Fund allocates at least 80% of its total assets in investments that are aligned with promoted environmental and social characteristics. As a result, the remaining maximum 20% of the total assets of the Sub-Fund will fall into the category under “#2 Other”.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy? (Include the methodology used to calculate alignment with EU taxonomy and why; and the minimum share in transitional and enabling activities)

The Sub-Fund does not undertake to make sustainable investments as defined under the EU Taxonomy.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

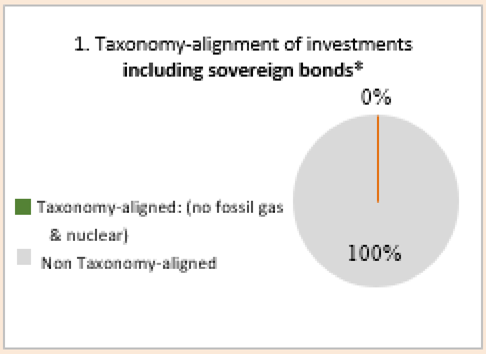
Does the financial product invest in fossil gas and/or nuclear energy-related activities that comply with the EU Taxonomy ?

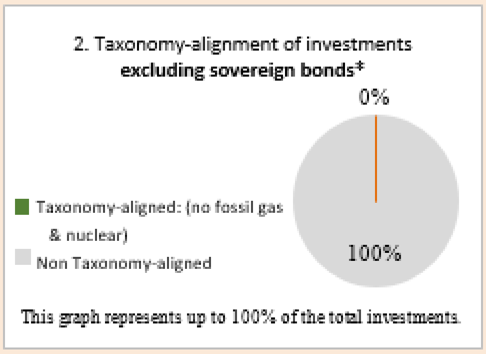
☐ Yes :

☐ In fossil gas ☐ In nuclear energy

☒ No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*





** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

N/A. The Sub-Fund promotes environmental and social characteristics, but does not commit to making sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

The Sub-Fund may, additionally, hold cash under section 5.A.5) of this Prospectus. For investment and cash management purposes and/or in case of adverse market conditions, the Sub-Fund may hold cash equivalents, such as deposits and money market instruments with a residual maturity of less than 12 months, in accordance with the investment restrictions set out in this data sheet and/or, where applicable, in the general part of this Prospectus. The Sub-Fund may also, in respect of this category "#2 Other", hold hedging instruments, investments for which the data is lacking as well as, for diversification purposes, other investments not contributing to the promoted environmental or social characteristics.

These assets do not take into account the sustainability characteristics promoted by the underlying financial product. These investments do not have minimum environmental or social guarantees.

F. Monitoring of the environmental and social characteristics

What sustainability indicators are used to measure the attainment of each environmental and social characteristics promoted by this financial product?

The Management Company considers the following sustainability indicators in order to measure the achievement of environmental and social characteristics promoted by the Sub-Fund:

- The percentage of investment in individual issues that fall within the scope of the exclusion criterion;
- The percentage of investment in individual issues with an ESG rating below C;
- The percentage of investment in individual issues awarded a "Red Flag" by the Management Company;

- The percentage of investment that does not have an ESG rating.

How are the environmental and social characteristics and sustainability indicators monitored throughout the life cycle of the financial product and what are the related internal or external control mechanisms?

Before each investment, the Management Company performs an analysis of the asset based on predefined ESG characteristics. The ESG score of each asset is closely monitored by the Sub-Fund. Indeed, the latter is updated in the system on a quarterly basis in order to ensure that investments always correspond to the ESG characteristics promoted by the Sub-Fund.

Furthermore, the Management Company ensures that the investment universe is only composed of individual issues with an ESG rating greater than C. Thus, the ESG ratings of the different issuers are updated every month.

As for the exclusion strategy, the latter is applied before the investment. In this way, the risk of non-alignment can be eliminated from the beginning.
If the Sub-Fund holds positions in a security that has become subject to exclusion, the investment is liquidated at market conditions, but no later than 30 days after the entry into force of the new exclusion.

G. Methodologies

What method is used to measure the attainment of the environmental and social characteristics promoted by this financial product using sustainability indicators?

The investment strategy of the Sub-Fund is based on the integration of an ESG rating and the application of an exclusion list, which involves different methodologies.

First, before investing, the Sub-Fund establishes the issuer's ESG score. This score is based on 4 environmental indicators (environmental strategy, supply chain, products, production processes), 4 social indicators (human and labor rights, community responsibility, human resources, customers and suppliers) and 4 governance indicators (corporate governance structure, shareholder relations, accounting standards, business ethics). For each indicator included, the Sub-Fund assigns a score that will be included in the issuer's final ESG score. As a reminder, the ESG score is between 0 and 100, where 100 represents the best score and 0 the worst score.

Then, the security's ESG rating is obtained by combining the ESG score with a momentum score, which corresponds to the change in the ESG score over the last year, by the investment IT system. Once the rating is established, it is used to reduce the investment universe of the Sub-Fund in order to favour companies/issuers with sustainable characteristics and to limit investments in instruments that are not particularly sustainable (positive selection approach).
Finally, the Sub-Fund applies an exclusion list, as described above, with the aim of removing from the investment universe issuers considered controversial.

H. Data sources and processing

What are the data sources used to achieve the sustainable investment objective of the financial product, including the measures taken to ensure data quality, how they are processed and the proportion of data that are estimated?
The Sub-Fund has an investment strategy based on an ESG rating established internally on the basis of qualitative and quantitative information for each issuer. Where possible, data is collected directly from the issuer and, if necessary, it is collected from a third-party data provider. The data received is processed by the Management Company according to its own methodology. The final ESG score of each security is therefore the result of the combination of the data received from the third-party data provider and the subsequent assessments carried out by the Management Company. With this approach, the Sub-Fund does not have a proportion of estimated data.

I. Limitations to methodologies and data

What are the limitations of the methods and data sources? (Including how these limitations do not impact the attainment of the sustainable investment objective and the measures taken to address them)
The main challenge the Sub-Fund faces in terms of data and methodology concerns its different sources. Indeed, the methodology for a given data may differ between issuers but also between the third-party data provider. However, the data expert is committed to limiting these discrepancies in his analysis in order to provide the best possible data during the decision-making process within the Sub-Fund.

J. Due diligence

What due diligence is performed on the underlying assets and what internal and external controls are in place?
The Management Company carries out due diligence on the underlying assets to ensure that they are aligned with the environmental and/or social characteristics promoted. The ESG due diligence questionnaire for asset managers has a very important function in managing sustainability risk: - it enables analysis and management of the sustainability risk due to the Asset Manager's corporate policies; - it introduces an internal assessment of this risk, to complement the most common portfolio ESG scoring metrics; - it enables the introduction of engagement policies towards third-party investment managers; - it enables an assessment of the current sustainability policies of asset managers, providing insights for improving same within the Credem Group's Wealth Area. It is reviewed annually based on regulatory changes and best market practices, and sent to all third-party investment managers with whom a delegating-delegated relationship has been established.

K. Engagement policies

Is the engagement part of the environmental or social investment strategy?
☐ Yes ☒ No

L. Designated reference benchmark

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics it promotes?
☐ Yes ☒ No